the amendment I have proposed. Each case of departure comes to the cognizance of Government and has to receive sanction.

Mr. Prince.—I second the amendment. It is very necessary. The sanction of Government insisted on is a guarantee against abuse.

Mr. Kuruvila.—I consider the modification desirable and essential. It promotes the further beneficial use of the land with sufficient safe-guard against any obnoxious use as explained by the mover. The channel may for example be used as a navigation channel.

Carried.

Mr. Thanu Pillai.—No other amendments have been received as far as I am aware. I therefore beg to move that the Bill as now amended be passed and that it come into force on the 1st of Chingom 1073.

The motion was put and agreed to.

LEGISLATIVE COUNCIL REGULATION AMENDMENT BILL.

Mr. Krishnaswamy Rao.—I beg to present the report of the Select Committee on the Legislative Council Regulation Amendment Bill. The Bill as revised may be taken into consideration at the next meeting.

BILL TO AMEND THE ABKARI REGULATION (I OF 1054).

Mr. Thanu Pillai.—At a previous meeting of the Council I obtained permission to introduce a Bill to amend the Abkari Regulation (I of 1054). I now beg to introduce it. I will just say a few words in explanation of the measure.

Regulation I of 1054 which, as amended by Regulation I of 1055, is the existing Abkari law of Travancore is a reproduction of Madras Act III of 1864. The latter Act, having been found to be defective in reference to the improvements in the system of Abkari administration which have been successively and successfully introduced in the Madras Presidency, was amended by Act V of 1879 and subsequently wholly repealed by Act I of 1886; while our law and system of Abkari administration have remained unaltered. The system which prevails here and which prevailed in British India about a quarter of a century ago is the Farming system under which the privilege of manufacture and sale of all spirituous and fermented liquors within specified areas is sold to a farmer or renter for a lump sum determined by competition in auction. Theoretically, the number and sites of the shops and the minimum price at which liquor could be sold are fixed by Government; but in practice, the farmer opens as many shops as he chooses and sells liquor of any strength, at any price, his sole object of course being to secure the largest possible profit; and the cheapening of the price of this, so to speak, "conventional necessary" naturally tends to stimulate and increase consumption. In British India, this system is now confined to certain small areas, and the system by which it has been replaced may be described as the "Central Distillery System." Under this system, the privilege of manufacture and supply is disposed of separately from that of sale. All liquor should be manufactured in a Distillery under proper supervision, and duty is levied on the spirit, according to its strength, as it is issued from the Distillery to vendors. The number of vend shops is determined by the chief revenue officer of the District and the privilege of sale is sold either by shops separately or by tracts. The licensed vendor is bound to purchase all liquor from the Distillery on payment of the prescribed still-head charge which includes the duty, cost of manufacture and profits of the manufacturer. There are different varieties of the Distillery system, but the above are the chief and the common features of them all.

It will be observed that the most important feature of the Distillery system is that, under it, it is possible to charge a duty on every gallon of spirit that passes into consumption according to its strength, so that by a proper adjustment of the duty, it enables Government to secure the maximum revenue with the minimum consumption. Against this decided advantage must be set the scope which the system affords for illicit manufacture and sale. Under the farming system the interest of the

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